

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Senate Bill 278 be amended to read as follows:

- 1 Page 2, between lines 3 and 4, begin a new paragraph and insert:
- 2 "SECTION 2. IC 4-33-13-1.5 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) This section
- 4 applies only to a riverboat that has implemented flexible scheduling
- 5 under IC 4-33-6-21 or IC 4-33-6.5.
- 6 (b) A graduated tax is imposed on the adjusted gross receipts
- 7 received from gambling games authorized under this article as follows:
- 8 (1) Fifteen percent (15%) of the first twenty-five million dollars
- 9 (\$25,000,000) of adjusted gross receipts received during the
- 10 period beginning July 1 of each year and ending June 30 of the
- 11 following year.
- 12 (2) Twenty percent (20%) of the adjusted gross receipts in excess
- 13 of twenty-five million dollars (\$25,000,000) but not exceeding
- 14 fifty million dollars (\$50,000,000) received during the period
- 15 beginning July 1 of each year and ending June 30 of the following
- 16 year.
- 17 (3) Twenty-five percent (25%) of the adjusted gross receipts in
- 18 excess of fifty million dollars (\$50,000,000) but not exceeding
- 19 seventy-five million dollars (\$75,000,000) received during the
- 20 period beginning July 1 of each year and ending June 30 of the
- 21 following year.
- 22 (4) Thirty percent (30%) of the adjusted gross receipts in excess
- 23 of seventy-five million dollars (\$75,000,000) but not exceeding
- 24 one hundred fifty million dollars (\$150,000,000) received during
- 25 the period beginning July 1 of each year and ending June 30 of the

following year.

(5) **Before July 1, 2008**, thirty-five percent (35%) **and, after June 30, 2008, thirty-six percent (36%)** of all adjusted gross receipts in excess of one hundred fifty million dollars (\$150,000,000) **received during the period beginning July 1 of each year and ending June 30 of the following year.**

(c) The licensed owner or operating agent shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

(d) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

(e) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner or operating agent to file a monthly report to reconcile the amounts remitted to the department.

(f) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12.

(g) If a riverboat implements flexible scheduling during any part of a period beginning July 1 of each year and ending June 30 of the following year, the tax rate imposed on the adjusted gross receipts received while the riverboat implements flexible scheduling shall be computed as if the riverboat had engaged in flexible scheduling during the entire period beginning July 1 of each year and ending June 30 of the following year.

(h) If a riverboat:

(1) implements flexible scheduling during any part of a period beginning July 1 of each year and ending June 30 of the following year; and

(2) before the end of that period ceases to operate the riverboat with flexible scheduling;

the riverboat shall continue to pay a wagering tax at the tax rates imposed under subsection (b) until the end of that period as if the riverboat had not ceased to conduct flexible scheduling.

SECTION 3. IC 4-33-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first:

(A) thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e); **and**

(B) **ten million dollars (\$10,000,000) from tax revenues collected on adjusted gross receipts subject to section 1.5(b)(5) of this chapter after June 30, 2008, and before**

July 1, 2041, shall be set aside for distribution under subsection (i).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the property tax replacement fund. In each state fiscal year beginning after June 30, 2003, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the property tax replacement fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter as follows:

(1) Thirty-seven and one half percent (37.5%) shall be paid to the property tax replacement fund established under IC 6-1.1-21.

(2) Thirty-seven and one-half percent (37.5%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b). However, at any time the balance in that fund exceeds twenty million dollars (\$20,000,000), the amount described in this subdivision shall be paid to the property tax replacement fund established under IC 6-1.1-21.

(3) Five percent (5%) shall be paid to the historic hotel preservation commission established under IC 36-7-11.5.

(4) Ten percent (10%) shall be paid in equal amounts to each town that:

(A) is located in the county in which the riverboat docks; and

(B) contains a historic hotel.

The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's

1 tourism commission.

2 (5) Ten percent (10%) shall be paid to the county treasurer of the
3 county in which the riverboat is docked. The county treasurer
4 shall distribute the money received under this subdivision as
5 follows:

6 (A) Twenty percent (20%) shall be quarterly distributed to the
7 county treasurer of a county having a population of more than
8 thirty-nine thousand six hundred (39,600) but less than forty
9 thousand (40,000) for appropriation by the county fiscal body
10 after receiving a recommendation from the county executive.
11 The county fiscal body for the receiving county shall provide
12 for the distribution of the money received under this clause to
13 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in
14 the county under a formula established by the county fiscal
15 body after receiving a recommendation from the county
16 executive.

17 (B) Twenty percent (20%) shall be quarterly distributed to the
18 county treasurer of a county having a population of more than
19 ten thousand seven hundred (10,700) but less than twelve
20 thousand (12,000) for appropriation by the county fiscal body
21 after receiving a recommendation from the county executive.
22 The county fiscal body for the receiving county shall provide
23 for the distribution of the money received under this clause to
24 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in
25 the county under a formula established by the county fiscal
26 body after receiving a recommendation from the county
27 executive.

28 (C) Sixty percent (60%) shall be retained by the county where
29 the riverboat is docked for appropriation by the county fiscal
30 body after receiving a recommendation from the county
31 executive. The county fiscal body shall provide for the
32 distribution of part or all of the money received under this
33 clause to the following under a formula established by the
34 county fiscal body:

35 (i) A town having a population of more than two thousand
36 two hundred (2,200) but less than three thousand five
37 hundred (3,500) located in a county having a population of
38 more than nineteen thousand three hundred (19,300) but less
39 than twenty thousand (20,000).

40 (ii) A town having a population of more than three thousand
41 five hundred (3,500) located in a county having a population
42 of more than nineteen thousand three hundred (19,300) but
43 less than twenty thousand (20,000).

44 (c) For each city and county receiving money under subsection
45 (a)(2)(A) or ~~(a)(2)(C)~~, **(a)(2)(B)**, the treasurer of state shall determine
46 the total amount of money paid by the treasurer of state to the city or
47 county during the state fiscal year 2002. The amount determined is the

base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat wagering taxes that:

- (1) exceeds a particular city or county's base year revenue; and
- (2) would otherwise be due to the city or county under this section;

to the property tax replacement fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

- (1) Surplus lottery revenues under IC 4-30-17-3.
- (2) Surplus revenue from the charity gaming enforcement fund under IC 4-32-10-6.
- (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the property tax replacement fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the property tax replacement fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Before August 15 of 2003 and each year thereafter, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

- (1) To each city located in the county according to the ratio the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

- (1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).
- (2) For deposit in a special fund or allocation fund created under

IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for additional credits for property tax replacement in property tax increment allocation areas or debt repayment.

(3) To fund sewer and water projects, including storm water management projects.

(4) For police and fire pensions.

(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county.

Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) This subsection does not apply to an entity receiving money under IC 4-33-12-6(c). Before September 15 of 2003 and each year thereafter, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the property tax replacement fund. The amount of the supplemental distribution is equal to the difference between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (d) as follows:

(1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(i) The treasurer of state shall transfer the first eight million dollars (\$8,000,000) set aside under subsection (a)(1)(B) to the auditor of state for deposit in a special account for a county that constructs a football stadium (as defined in IC 6-9-30-5). The auditor of state shall transfer money in the special account to the capital improvement board of managers established under IC 36-10-9-3 on a monthly basis as the money is received. The remainder of the money set aside under subsection (a)(1)(B) shall be deposited in the property tax replacement fund."

Page 2, between lines 29 and 30, begin a new paragraph and insert:
 "SECTION 5. IC 6-6-9.7-7 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The city-county
 council of a county that contains a consolidated city may adopt an
 ordinance to impose an excise tax, known as the county supplemental
 auto rental excise tax, upon the rental of passenger motor vehicles and
 trucks in the county for periods of less than thirty (30) days. ~~The~~ **In any**
~~year following the year in which an ordinance initially imposing a~~
~~tax under this chapter is adopted, the city-county council may~~
~~adopt an ordinance increasing the tax imposed under this chapter~~
~~up to the amount in subsection (b). An ordinance adopted under this~~
~~section must specify that the tax expires on or before December 31,~~
~~2027.~~ **2040.**

(b) The county supplemental auto rental excise tax that may be
 imposed upon the rental of a passenger motor vehicle or truck equals
~~two~~ **the percentage established in the ordinance adopted under**
~~subsection (a), which may not exceed four percent (2%)~~ **(4%)** of the
 gross retail income received by the retail merchant for the rental.

(c) If a city-county council adopts an ordinance under subsection (a),
 the city-county council shall immediately send a certified copy of the
 ordinance to the commissioner of the department of state revenue.

(d) ~~If a city-county council adopts~~ An ordinance **adopted** under
 subsection (a) prior to June 1 ~~the county supplemental auto rental~~
~~excise tax~~ applies to auto rentals after June 30 of the year in which the
 ordinance is adopted. ~~If the city-county council adopts~~ An ordinance
~~adopted~~ under subsection (a) on or after June 1 ~~the county~~
~~supplemental auto rental excise tax~~ applies to auto rentals after the last
 day of the month in which the ordinance is adopted.

SECTION 6. IC 6-6-9.7-11 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) All revenues
 collected from the county supplemental auto rental excise tax shall be
 deposited in a special account of the state general fund called the
 county supplemental auto rental excise tax account.

(b) On or before the twentieth day of each month, all amounts held
 in the county supplemental auto rental excise tax account shall be
 distributed to the capital improvement board of managers operating in
 a consolidated city. **The board shall deposit revenues received under**
~~this chapter that are attributable to the part of a tax rate exceeding~~
~~two percent (2%) in a special fund. The money in the special fund~~
~~may be used only to construct and equip a football stadium (as~~
~~defined in IC 6-9-30-5), including the payment of principal and~~
~~interest on obligations (as defined in IC 5-1-3-1) issued to finance~~
~~or refinance the football stadium or the payment of lease payments~~
~~(as described in IC 36-10-9) for the football stadium.~~

(c) The amount to be distributed to the capital improvement board
 of managers operating in a consolidated city equals the total county
 supplemental auto rental excise taxes that were initially imposed and

collected from within the county in which the consolidated city is located. The department shall notify the county auditor of the amount of taxes to be distributed to the board.

(d) All distributions from the county supplemental auto rental excise tax account shall be made by warrants issued by the auditor of state to the treasurer of state ordering those payments to the capital improvement board of managers operating in a consolidated city.

SECTION 7. IC 6-6-9.7-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. This chapter expires January 1, ~~2028~~ **2041**.

SECTION 8. IC 6-8.1-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the gross income tax (IC 6-2.1) (repealed); the utility receipts tax (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the municipal option income tax (IC 6-3.5-8); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various county food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); **the luxury suite tax (IC 6-9-30); the professional sports team excise tax (IC 6-9-35);** the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); and any other tax or fee that the department is required to collect or administer.

SECTION 9. IC 6-9-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as provided in subsection (b) **and section 3.5 of this chapter**, the tax imposed by section 2 of this chapter shall be at the rate of:

- (1) before January 1, 2028, five percent (5%) on the gross income derived from lodging income only, if the fiscal body does not adopt an ordinance under subsection (b), and six percent (6%) if

the fiscal body adopts an ordinance under subsection (b); and
 (2) after December 31, 2027, five percent (5%).

(b) In any year subsequent to the initial year in which a tax is imposed under section 2 of this chapter, the fiscal body may, by ordinance adopted by at least two-thirds (2/3) of the members elected to the fiscal body, increase the tax imposed by section 2 of this chapter from five percent (5%) to six percent (6%). The ordinance must specify that the increase in the tax authorized under this subsection expires January 1, 2028.

(c) The amount collected from an increase adopted under subsection (b) shall be transferred to the capital improvement board of managers established by IC 36-10-9-3. The board shall deposit the revenues received under this subsection in a special fund. Money in the special fund may be used only for the payment of obligations incurred to expand a convention center, including:

(1) principal and interest on bonds issued to finance or refinance the expansion of a convention center; and

(2) lease agreements entered into to expand a convention center.

SECTION 10. IC 6-9-8-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 3.5. (a) In any year following the initial year in which the tax imposed under this chapter is increased under section 3(b) of this chapter, the fiscal body may, by ordinance, increase the rate of the tax imposed by section 2 of this chapter to an amount not to exceed nine percent (9%) of the gross income derived from lodging income only. The ordinance must specify that:**

(1) the increase in the rate of the tax authorized under this subsection expires December 31, 2040; and

(2) the rate of the tax after December 31, 2040, is five percent (5%) of the gross income derived from lodging income only.

(b) The amount collected from an increase adopted under this section shall be transferred to the capital improvement board of managers established under IC 36-10-9-3. The board shall deposit revenues received under this section in a special fund. The money in the special fund may be used only to construct and equip a football stadium (as defined in IC 6-9-30-5), including the payment of principal and interest on obligations (as defined in IC 5-1-3-1) issued to finance or refinance the football stadium or the payment of lease payments (as described in IC 36-10-9) for the football stadium.

(c) If the fiscal body adopts an ordinance under subsection (a) before June 1, the increased rate of the tax imposed by section 2 of this chapter applies after June 30 of the year in which the ordinance is adopted. If the fiscal body adopts an ordinance under subsection (a) on or after June 1, the increased rate of the tax imposed by section 2 of this chapter applies after the last day of the

1 **month in which the ordinance is adopted.**

2 SECTION 11. IC 6-9-13-1 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as
4 provided in subsection (b), the city-county council of a county that
5 contains a consolidated first class city may adopt an ordinance to
6 impose an excise tax, known as the county admissions tax, for the
7 privilege of attending, before January 1, ~~2028~~, **2041**, any event and,
8 after December 31, ~~2027~~, **2040**, any professional sporting event:

9 (1) held in a facility financed in whole or in part by bonds or notes
10 issued under IC 18-4-17 (before its repeal on September 1, 1981),
11 IC 36-10-9, or IC 36-10-9.1; and

12 (2) to which tickets are offered for sale to the public by:

13 (A) the box office of the facility; or

14 (B) an authorized agent of the facility.

15 (b) The excise tax imposed under subsection (a) does not apply to
16 the following:

17 (1) An event sponsored by an educational institution or an
18 association representing an educational institution.

19 (2) An event sponsored by a religious organization.

20 (3) An event sponsored by an organization that is considered a
21 charitable organization by the Internal Revenue Service for
22 federal tax purposes.

23 (4) An event sponsored by a political organization.

24 (c) If a city-county council adopts an ordinance under subsection (a),
25 it shall immediately send a certified copy of the ordinance to the
26 commissioner of the department of state revenue.

27 (d) If a city-county council adopts an ordinance under subsection (a)
28 prior to June 1, the county admissions tax applies to admission charges
29 collected after June 30 of the year in which the ordinance is adopted. If
30 the city-county council adopts an ordinance under subsection (a) on or
31 after June 1, the county admissions tax applies to admission charges
32 collected after the last day of the month in which the ordinance is
33 adopted.

34 SECTION 12. IC 6-9-13-2 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. **(a) Except as**
36 **provided by subsection (b),** the county admissions tax equals five
37 percent (5%) of the price for admission to any event described in
38 section 1 of this chapter.

39 **(b) In any year following the initial year in which the county**
40 **admissions tax is imposed under section 1 of this chapter, a**
41 **city-county council may adopt an ordinance imposing an additional**
42 **admissions tax, not exceeding ten dollars (\$10), for admission to**
43 **any combination of events that are described in:**

44 **(1) section 1(a) of this chapter;**

45 **(2) section 1(b)(1) of this chapter; or**

46 **(3) section 1(b)(3) of this chapter;**

47 **and held at a football stadium (as defined in IC 6-9-30-5).**

(c) If a city-county council adopts an ordinance under subsection (b) before June 1, the increased rate of the county admissions tax applies to admission charges collected after June 30 of the year in which the ordinance is adopted. If a city-county council adopts an ordinance under subsection (b) on or after June 1, the increased admissions tax applies to admission charges collected after the last day of the month in which the ordinance is adopted.

SECTION 13. IC 6-9-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The amounts received from the county admissions tax shall be paid monthly by the treasurer of the state to the treasurer of the capital improvement board of managers of the county upon warrants issued by the auditor of state. **The board shall deposit revenues received under section 2(b) of this chapter in a special fund. The money in the special fund may be used only to construct and equip a football stadium (as defined in IC 6-9-30-5), including the payment of principal and interest on obligations (as defined in IC 5-1-3-1) issued to finance or refinance the football stadium or the payment of lease payments (as described in IC 36-10-9) for the football stadium.**

SECTION 14. IC 6-9-30 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 30. Marion County Luxury Suite Tax

Sec. 1. As used in this chapter, "event" means an event described in IC 6-9-13-1 held at a football stadium.

Sec. 2. As used in this chapter, "fiscal body" has the meaning set forth in IC 36-1-2-6.

Sec. 3. As used in this chapter "gross retail income" refers to gross retail income as determined under IC 6-2.5-1.

Sec. 4. As used in this chapter, "luxury suite" means an enclosed or partially enclosed room and any contiguous balcony seats in a football stadium:

- (1) that are designed to be used to observe or entertain at, or both, one (1) or more events; and**
- (2) for which a rental fee is charged that is separate from the price of admission to the event.**

Sec. 5. As used in this chapter, "football stadium" refers to a building that:

- (1) is constructed in a consolidated city after December 31, 2004;**
 - (2) when added to the cost of site acquisition and improvements, costs or will cost at least four hundred million dollars (\$400,000,000); and**
 - (3) is designed to be used to regularly play substantially all of the home games of a National Football League team; and**
- any related parking facilities or other facilities needed to**

1 accommodate the attendance of the public. The term does not
2 include a convention center. However, a building does not cease to
3 be a football stadium if the building is incidentally used for
4 convention activities that do not interfere with its use for a National
5 Football League team.

6 Sec. 6. As used in this chapter, "person" has the meaning set
7 forth in IC 6-2.5-1-3.

8 Sec. 7. As used in this chapter, "rental" includes lease and
9 purchase of ownership rights.

10 Sec. 8. The fiscal body of a county with a consolidated city may
11 adopt, amend, or repeal an ordinance to levy a tax on every person
12 engaged in the business of renting or furnishing luxury suites
13 located in the county. Whenever an ordinance is adopted, amended,
14 or repealed under this section, the county auditor shall immediately
15 send a certified copy of the ordinance to the department.

16 Sec. 9. The tax may not exceed a rate that when applied to all
17 luxury suite rentals is reasonably likely to raise not more than one
18 million dollars (\$1,000,000) in a year.

19 Sec. 10. (a) An ordinance adopted under this chapter may
20 require that the tax be reported on forms approved by the county
21 treasurer and that the tax be paid monthly to the capital
22 improvement board of managers operating in a consolidated city.
23 If an ordinance including the provisions of this subsection is
24 adopted, the tax shall be paid to the capital improvement board of
25 managers operating in a consolidated city not more than twenty
26 (20) days after the end of the month the tax is collected.

27 (b) If an ordinance does not include the provisions described in
28 subsection (a), the tax shall be imposed, paid, and collected in
29 exactly the same manner as the state gross retail tax is imposed,
30 paid, and collected under IC 6-2.5.

31 Sec. 11. (a) All the provisions of IC 6-2.5 relating to rights,
32 duties, liabilities, procedures, penalties, definitions, exemptions,
33 and administration are applicable to the imposition and
34 administration of the tax imposed under this chapter except to the
35 extent those provisions are in conflict or inconsistent with the
36 specific provisions of this chapter or the requirements of the county
37 treasurer. However, IC 6-2.5-4-4(d) does not apply to this chapter.
38 The county treasurer may require the capital improvement board
39 of managers operating in a consolidated city to make the reports
40 concerning collections that the county treasurer determines
41 necessary.

42 (b) If the tax is paid to the department of state revenue, the
43 return to be filed for the payment of the tax under this section may
44 be either a separate return or may be combined with the return
45 filed for the payment of the state gross retail tax as the department
46 of state revenue may, by rule, determine.

1 **Sec. 12. (a) This section applies if the tax is paid to the**
 2 **department of state revenue.**

3 **(b) All revenues collected from the county luxury suite tax shall**
 4 **be deposited in a special account of the state general fund called the**
 5 **county luxury suite tax account.**

6 **(c) On or before the twentieth day of each month, all amounts**
 7 **held in the county luxury suite tax account shall be distributed to**
 8 **the capital improvement board of managers operating in a**
 9 **consolidated city. All money distributed under this chapter shall be**
 10 **paid by the treasurer of state upon warrants issued by the auditor**
 11 **of state.**

12 **(d) The amount to be distributed to the capital improvement**
 13 **board of managers operating in a consolidated city equals the total**
 14 **county luxury suite taxes that are imposed and collected within the**
 15 **county in which the consolidated city is located. The department**
 16 **shall notify the county auditor of the amount of taxes to be**
 17 **distributed to the board.**

18 **Sec. 13. The capital improvement board operating in the**
 19 **consolidated city shall deposit revenues received under this chapter**
 20 **in a special fund. The money in the special fund may be used only**
 21 **to construct and equip a football stadium, including the payment**
 22 **of principal and interest on obligations (as defined in IC 5-1-3-1)**
 23 **issued to finance or refinance the football stadium or the payment**
 24 **of lease payments (as described in IC 36-10-9) for the football**
 25 **stadium.**

26 **Sec. 14. This chapter expires January 1, 2041.**

27 **SECTION 15. IC 6-9-35 IS ADDED TO THE INDIANA CODE**
 28 **AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE**
 29 **JULY 1, 2005]:**

30 **Chapter 35. Professional Sports Team Excise Tax**

31 **Sec. 1. This chapter applies only to a county having a**
 32 **consolidated city.**

33 **Sec. 2. As used in this chapter, "department" refers to the**
 34 **department of state revenue.**

35 **Sec. 3. As used in this chapter, "fiscal body" has the meaning set**
 36 **forth in IC 36-1-2-6.**

37 **Sec. 4. As used in this chapter, "football stadium" has the**
 38 **meaning set forth in IC 6-9-30-5.**

39 **Sec. 5. As used in this chapter, "football stadium days" means**
 40 **the number of total duty days spent by a team member within**
 41 **Indiana rendering a service for the team in any manner during the**
 42 **taxable year in or at a football stadium, except those days spent in**
 43 **or at a football stadium for which a team member is on the disabled**
 44 **list.**

45 **Sec. 6. As used in this chapter, "team" has the meaning set forth**
 46 **in IC 6-3-2-2.7.**

1 **Sec. 7. As used in this chapter, "team member" has the meaning**
2 **set forth in IC 6-3-2-2.7.**

3 **Sec. 8. As used in this chapter, "total duty days" has the**
4 **meaning set forth in IC 6-3-2-2.7.**

5 **Sec. 9. As used in this chapter, "total income" has the meaning**
6 **set forth in IC 6-3-2-2.7.**

7 **Sec. 10. The county fiscal body may adopt, amend, or repeal an**
8 **ordinance to levy a professional sports team excise tax on each**
9 **team member that uses a football stadium to render services for a**
10 **team. Whenever an ordinance is adopted, amended, or repealed**
11 **under this section, the county auditor shall immediately send a**
12 **certified copy of the ordinance to the department.**

13 **Sec. 11. An excise tax is imposed under this chapter on a team**
14 **member measured by the proportionate share of the team**
15 **member's total income for a taxable year that is attributable to**
16 **each day that the team member uses a football stadium to render**
17 **service for a team. The tax imposed under this chapter is in**
18 **addition to any other state or local tax imposed on total income.**

19 **Sec. 12. The amount of the tax for a taxable year is equal to the**
20 **team member's total income multiplied by the lesser of the tax rate**
21 **set in the ordinance adopted or amended under section 10 of this**
22 **chapter or two percent (2%) and further multiplied by the**
23 **following fraction:**

24 **(1) The numerator of the fraction is the team member's**
25 **football stadium days for the taxable year.**

26 **(2) The denominator of the fraction is the team member's total**
27 **duty days for the taxable year.**

28 **Sec. 13. It is presumed that this chapter results in a fair and**
29 **equitable apportionment of the team member's total income to**
30 **football stadium days. However, if the department demonstrates**
31 **that the method provided under this chapter does not fairly and**
32 **equitably apportion a team member's total income, the department**
33 **may require the team member to apportion the team member's**
34 **total income under another method that the department prescribes.**
35 **The prescribed method must result in a fair and equitable**
36 **apportionment. A team member may submit a proposal for an**
37 **alternative method to apportion the team member's compensation**
38 **if the team member demonstrates that the method provided under**
39 **this chapter does not fairly and equitably apportion the team**
40 **member's total income. If approved by the department, the**
41 **proposed method must be fully explained in the team member's**
42 **professional sports team excise tax return.**

43 **Sec. 14. The department may adopt rules under IC 4-22-2 to**
44 **establish either of the following methods of simplifying return filing**
45 **for team members of a team, if the team is not based in Indiana:**

46 **(1) A withholding system requiring a team to withhold total**

1 income for each team member and to remit the withheld taxes
2 to Indiana on an annual basis. The department may require
3 each team to submit information for each team member
4 regarding total income, total income subject to tax under this
5 chapter, and the amount of tax withheld. Remittance of the
6 withholding and submission of the required information
7 satisfies the team member's tax liability and return filing
8 responsibilities. A team that is required to withhold and remit
9 shall provide all participating team members with a statement
10 evidencing the amount of tax withheld and remitted to
11 Indiana. Even though a team is required to withhold and
12 remit, a team member may file an individual professional
13 sports team excise tax return to claim a refund if the amount
14 remitted exceeds the amount otherwise owed using the
15 methodology under this chapter. However, if the team
16 member files an individual professional sports team excise tax
17 return to claim a refund, the team member is required to
18 notify the team member's state of residence of the filing.

19 (2) A composite return method that permits the filing of a
20 composite tax return by the team on behalf of each team
21 member. Other department rules concerning composite
22 returns apply to the extent these rules are not inconsistent
23 with this subdivision. The team must obtain approval from the
24 department before filing a composite return. The team must
25 obtain written authorization each taxable year from each
26 team member who elects to participate in the composite
27 return. The participating team members must acknowledge
28 through their elections that the composite return constitutes
29 an irrevocable filing and that they may not file a professional
30 sports team excise tax return in Indiana. The team must
31 maintain a power of attorney from each participating team
32 member that authorizes the team to represent them in a
33 protest or other appeal. The team and participating team
34 members must agree that the team is responsible for any
35 deficiencies, including penalties. The team shall withhold tax
36 from each participating team member's total income and
37 remit it to the state. The return must contain information for
38 each participating team member regarding total income, total
39 income subject to tax in Indiana using the methodology under
40 this chapter, and the amount of tax due. Filing of the return
41 and remittance of the tax satisfy the participating team
42 member's tax liability and return filing responsibilities.

43 If the method under subdivision (1) or (2) is required, a team
44 member's total income may not be reduced by using a deduction,
45 an exemption, or an exclusion. For a team member to participate
46 in either method, a team member's total income from the team

1 must be the only source of income attributable to Indiana. If a team
 2 member leaves the team during a taxable year, the team remains
 3 responsible for remitting the appropriate tax and may either collect
 4 the tax paid from the team member or absorb the cost itself.

5 Sec. 15. Subject to this chapter, the tax imposed under this
 6 chapter shall be imposed, paid, and collected in exactly the same
 7 manner as the state adjusted gross income tax is imposed, paid, and
 8 collected under IC 6-3. The provisions of IC 6-3-1-3.5(a)(6),
 9 IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax
 10 imposed by this chapter.

11 Sec. 16. (a) The department shall establish a professional sports
 12 team excise tax special account for the county imposing a tax under
 13 this chapter. The department shall deposit into the account the
 14 amount of professional sports team excise tax collected under this
 15 chapter. Refunds of overpayments of the tax imposed by this
 16 chapter shall be paid from the special account created for the
 17 county. If the amount of refunds exceeds the amount in the special
 18 account, the budget agency shall advance sufficient money to the
 19 special account to pay the refund. Repayment from the special
 20 account of an advance shall be made on the schedule established by
 21 the budget agency.

22 (b) On or before the twentieth day of each month, all amounts
 23 held in the county professional sports team excise tax special
 24 account shall be distributed to the capital improvement board of
 25 managers operating in a consolidated city.

26 (c) The amount to be distributed to the capital improvement
 27 board of managers operating in a consolidated city equals the total
 28 professional sports team excise tax imposed and collected from
 29 within the county in which the consolidated city is located. The
 30 department shall notify the county auditor of the amount of taxes
 31 to be distributed to the board.

32 (d) All distributions from the professional sports team excise tax
 33 special account shall be made by warrants issued by the auditor of
 34 state to the treasurer of state ordering those payments to the capital
 35 improvement board of managers operating in a consolidated city.

36 Sec. 17. The capital improvement board operating in the
 37 consolidated city shall deposit revenues received under this chapter
 38 in a special fund. The money in the special fund may be used only
 39 to construct and equip a football stadium, including the payment
 40 of principal and interest on obligations (as defined in IC 5-1-3-1)
 41 issued to finance or refinance the football stadium or the payment
 42 of lease payments (as described in IC 36-10-9) for the football
 43 stadium.

44 Sec. 18. This chapter expires January 1, 2041.

45 SECTION 14. IC 9-13-2-170 IS AMENDED TO READ AS
 46 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 170. "Special group"

1 means:

- 2 (1) a class or group of persons that the bureau finds:
 3 ~~(1) that have~~ (A) has made significant contributions to the
 4 United States, Indiana, or the group's community or ~~(B)~~ are
 5 descendants of native or pioneer residents of Indiana;
 6 ~~(2) are~~ (B) is organized as a nonprofit organization (as defined
 7 under Section 501(c) of the Internal Revenue Code);
 8 ~~(3) are~~ (C) is organized for nonrecreational purposes; and
 9 ~~(4) are~~ (D) is organized as a separate, unique organization or
 10 as a coalition of separate, unique organizations; or

11 (2) a capital improvement board of managers created by
 12 IC 36-10-9-3.

13 SECTION 16. IC 9-18-15-1 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A person who is
 15 the registered owner or lessee of a:

- 16 (1) passenger motor vehicle;
 17 (2) motorcycle;
 18 (3) recreational vehicle; or
 19 (4) vehicle registered as a truck with a declared gross weight of
 20 not more than:

- 21 (A) eleven thousand (11,000) pounds;
 22 (B) nine thousand (9,000) pounds; or
 23 (C) seven thousand (7,000) pounds;

24 registered with the bureau or who makes an application for an original
 25 registration or renewal registration of a vehicle may apply to the bureau
 26 for a personalized license plate to be affixed to the vehicle for which
 27 registration is sought instead of the regular license plate.

28 (b) A person who:

- 29 (1) is the registered owner or lessee of a vehicle described in
 30 subsection (a); and
 31 (2) is eligible to receive a license plate for the vehicle under:
 32 (A) IC 9-18-17 (prisoner of war license plates);
 33 (B) IC 9-18-18 (disabled veteran license plates);
 34 (C) IC 9-18-19 (purple heart license plates);
 35 (D) IC 9-18-20 (Indiana national guard license plates);
 36 (E) IC 9-18-21 (Indiana guard reserve license plates);
 37 (F) IC 9-18-22 (license plates for persons with disabilities);
 38 (G) IC 9-18-23 (amateur radio operator license plates);
 39 (H) IC 9-18-24 (civic event license plates);
 40 (I) IC 9-18-25 (special group recognition license plates);
 41 (J) IC 9-18-29 (environmental license plates);
 42 (K) IC 9-18-30 (kids first trust license plates);
 43 (L) IC 9-18-31 (education license plates);
 44 (M) IC 9-18-32.2 (drug free Indiana trust license plates);
 45 (N) IC 9-18-33 (Indiana FFA trust license plates);
 46 (O) IC 9-18-34 (Indiana firefighter license plates);
 47 (P) IC 9-18-35 (Indiana food bank trust license plates);

1 (Q) IC 9-18-36 (Indiana girl scouts trust license plates);
 2 (R) IC 9-18-37 (Indiana boy scouts trust license plates);
 3 (S) IC 9-18-38 (Indiana retired armed forces member license
 4 plates);
 5 (T) IC 9-18-39 (Indiana antique car museum trust license
 6 plates);
 7 (U) IC 9-18-40 (D.A.R.E. Indiana trust license plates);
 8 (V) IC 9-18-41 (Indiana arts trust license plates);
 9 (W) IC 9-18-42 (Indiana health trust license plates);
 10 (X) IC 9-18-43 (Indiana mental health trust license plates);
 11 (Y) IC 9-18-44 (Indiana Native American Trust license plates);
 12 (Z) IC 9-18-45.8 (Pearl Harbor survivor license plates);
 13 (AA) IC 9-18-46.2 (Indiana state educational institution trust
 14 license plates);
 15 (BB) IC 9-18-47 (Lewis and Clark bicentennial license plates);
 16 **or**
 17 (CC) IC 9-18-48 (Riley Children's Foundation license plates);
 18 **or**
 19 **(DD) IC 9-18-49 (capital improvement board team license**
 20 **plates).**

21 may apply to the bureau for a personalized license plate to be affixed
 22 to the vehicle for which registration is sought instead of the regular
 23 special recognition license plate.

24 SECTION 17. IC 9-18-25-1.8 IS ADDED TO THE INDIANA
 25 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2005]: **Sec. 1.8. Sections 15, 17, and 17.5 of**
 27 **this chapter do not apply to a capital improvement board special**
 28 **group recognition license plate issued under IC 9-18-49-2.**

29 SECTION 18. IC 9-18-49 IS ADDED TO THE INDIANA CODE
 30 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2005]:

32 **Chapter 49. Capital Improvement Board Team License Plates**

33 **Sec. 1. As used in this chapter, "capital improvement board"**
 34 **refers to a capital improvement board of managers created by**
 35 **IC 36-10-9-3.**

36 **Sec. 2. The bureau shall design and issue one (1) or more capital**
 37 **improvement board team license plates upon the request of a**
 38 **capital improvement board. The capital improvement board team**
 39 **license plates shall be designed and issued as special group**
 40 **recognition license plates under IC 9-18-25.**

41 **Sec. 3. A capital improvement board team license plate designed**
 42 **under IC 9-18-25 must include the following:**

- 43 (1) A basic design for the plate, with consecutive numbers or
- 44 letters, or both, to properly identify the vehicle.
- 45 (2) A background design, an emblem, or colors that designate
- 46 the license plate as a capital improvement board team plate,
- 47 with separate design, emblem, or colors for each capital

improvement board team plate reflecting a different professional sports team as requested by the capital improvement board.

Sec. 4. A person who is eligible to register a vehicle under this title is eligible to receive a capital improvement board team license plate upon doing the following:

(1) Completing an application for a capital improvement board team license plate.

(2) Designating the particular capital improvement board team special group license plate desired.

(3) Paying the fees required by section 5 of this chapter.

Sec. 5. (a) The fees for a capital improvement board team license plate are as follows:

(1) The appropriate fee under IC 9-29-5-38.

(2) An annual fee of twenty-five dollars (\$25) to be collected by the bureau.

(b) The annual fee described in subsection (a)(2) shall be deposited in the fund established by section 6 of this chapter.

Sec. 6. (a) The capital improvement board professional sports trust fund is established.

(b) The treasurer of state shall invest the money in the capital improvement board professional sports trust fund not currently needed to meet the obligations of the fund in the same manner as other public trust funds are invested. Interest that accrues from these investments shall be deposited in the fund.

(c) The commissioner shall administer the capital improvement board professional sports trust fund. Expenses of administering the fund shall be paid from money in the fund.

(d) The auditor of state shall distribute the money from the capital improvement board professional sports trust fund to the capital improvement board each month. The capital improvement board shall deposit money received under this subsection in a special fund. The money in the special fund may be used only to construct and equip a football stadium (as defined in IC 6-9-30-5), including the payment of principal and interest on obligations (as defined in IC 5-1-3-1) issued to finance or refinance the football stadium or the payment of lease payments (as described in IC 36-10-9) for the football stadium.

(e) Money in the capital improvement board professional sports trust fund at the end of a state fiscal year does not revert to the state general fund."

Page 3, after line 22, begin a new paragraph and insert :

"SECTION 21. IC 36-7-31-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) A tax area must be established by resolution. A resolution establishing a tax area must provide for the allocation of covered taxes attributable to a taxable

event or covered taxes earned in the tax area to the professional sports development area fund established for the county. The allocation provision must apply to the entire tax area. The resolution must provide that the tax area terminates not later than December 31, ~~2027~~: **2040**.

(b) All of the salary, wages, bonuses, and other compensation that are:

- (1) paid during a taxable year to a professional athlete for professional athletic services;
- (2) taxable in Indiana; and
- (3) earned in the tax area;

shall be allocated to the tax area if the professional athlete is a member of a team that plays the majority of the professional athletic events that the team plays in Indiana in the tax area.

(c) The total amount of state revenue captured by the tax area may not exceed five million dollars (\$5,000,000) per year ~~for twenty (20) consecutive years before January 1, 2008, and twelve million dollars (\$12,000,000) after December 31, 2007.~~

(d) The resolution establishing the tax area, ~~or any amendment to the resolution~~, must designate the facility and the facility site for which the tax area is established and covered taxes will be used.

(e) The department may adopt rules under IC 4-22-2 and guidelines to govern the allocation of covered taxes to a tax area.

SECTION 22. IC 36-7-31-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. This chapter expires December 31, ~~2027~~: **2040**.

SECTION 23. [EFFECTIVE JULY 1, 2005] **The general assembly finds that:**

- (1) the retention of a professional football team in a consolidated city is critical to successful economic development in a consolidated city and is a public purpose;**
- (2) the retention of a professional football team in a consolidated city poses unique challenges due to the need for development of a suitable football stadium and related infrastructure that would not be needed apart from the needs related to retention of a professional football team in the consolidated city;**
- (3) encouragement of economic development in the consolidated city will:**
 - (A) generate significant economic activity, a substantial portion of which results from persons residing outside Indiana, which may attract new businesses and encourage existing businesses to remain or expand in the consolidated city;**
 - (B) promote the consolidated city to residents outside Indiana, which may attract residents outside Indiana and new businesses to relocate to the consolidated city;**
 - (C) protect and increase state and local tax revenues; and**

- 1 **(D) encourage overall economic growth in the consolidated**
2 **city and in Indiana;**
3 **(4) the consolidated city faces unique challenges in the**
4 **development of infrastructure and other facilities necessary to**
5 **promote economic development as a result of its need to rely**
6 **on sources of revenue other than property taxes, due to the**
7 **large number of tax exempt properties located in the**
8 **consolidated city because the consolidated city is the seat of**
9 **government, the home to multiple institutions of higher**
10 **education, and the site of numerous state and regional**
11 **nonprofit corporations;**
12 **(5) economic development benefits the health and welfare of**
13 **the people of Indiana, is a public use and purpose for which**
14 **public money may be spent, and is of public utility and**
15 **benefit; and**
16 **(6) the purpose of this act is to provide additional means for**
17 **the consolidated city to develop and finance a football stadium**
18 **and related infrastructure in order to encourage economic**
19 **development in the consolidated city."**

20 Renumber all SECTIONS consecutively.

 (Reference is to ESB 278 as printed March 25, 2005.)

Representative Espich